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SAFETY NET FOR ABUSED PERSONS, INC.
FINANCIAL REPORT
JUNE 30, 2001

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/19/01 ✓

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To the Board of Directors

Safety Net For Abused Persons, Inc.
New Iberia, Louisiana

We have audited the accompanying statements of financial position of Safety Net For Abused Persons, Inc. (a non-profit organization) as of June 30, 2001 and 2000 and the related statements of activities and cash flows for the twelve and eighteen month periods then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Safety Net For Abused Persons, Inc. as of June 30, 2001 and 2000, and the changes in its net assets and its cash flows for the twelve and eighteen month periods then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 4, 2001, on our consideration of Safety Net For Abused Persons, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Broussard, Locke, Lewis & Breaux, L.L.P.

Lafayette, Louisiana
October 4, 2001

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENTS OF FINANCIAL POSITION
June 30, 2001 and 2000

ASSETS	<u>2001</u>	<u>2000</u>
CURRENT ASSETS		
Cash	\$ 52,799	\$ 39,203
Accounts receivable	2,131	-
Due from other agencies	29,504	27,633
Inventory	<u>844</u>	<u>844</u>
Total current assets	<u>\$ 85,278</u>	<u>\$ 67,680</u>
FIXED ASSETS		
Property and equipment, net	<u>\$ 139,494</u>	<u>\$ 142,917</u>
SECURITY DEPOSIT	<u>\$ 92</u>	<u>\$ 349</u>
Total assets	<u>\$ 224,864</u>	<u>\$ 210,946</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ -	\$ 9,516
Accrued liabilities	7,559	11,067
Due to other agencies	-	374
Income tax payable	2,201	1,211
Deferred revenue	3,509	2,017
Current portion of note payable	4,350	7,500
Current portion of mortgage payable	<u>2,358</u>	<u>1,898</u>
Total current liabilities	<u>\$ 19,977</u>	<u>\$ 33,583</u>
LONG-TERM LIABILITIES		
Note payable, less current portion	\$ -	\$ 4,375
Mortgage payable, less current portion	<u>65,893</u>	<u>72,862</u>
	<u>\$ 65,893</u>	<u>\$ 77,237</u>
Total liabilities	<u>\$ 85,870</u>	<u>\$ 110,820</u>
NET ASSETS		
Unrestricted	\$ 132,586	\$ 82,244
Temporarily restricted	<u>6,408</u>	<u>17,882</u>
	<u>\$ 138,994</u>	<u>\$ 100,126</u>
Total liabilities and net assets	<u>\$ 224,864</u>	<u>\$ 210,946</u>

See Notes to Financial Statements.

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENT OF ACTIVITIES
Twelve Month Period Ended June 30, 2001

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Contributions	\$ 32,798	\$ -	\$ 32,798
Grant revenue	283,491	5,005	288,496
Fundraising events	561,587	-	561,587
Interest revenue	205	-	205
Miscellaneous revenue	2,526	-	2,526
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>16,479</u>	<u>(16,479)</u>	<u>-</u>
Total revenues, gains and other support	<u>\$ 897,086</u>	<u>\$ (11,474)</u>	<u>\$ 885,612</u>
EXPENSES AND LOSSES			
Program expenses	\$ 259,250	\$ -	\$ 259,250
General and administrative expenses	71,774	-	71,774
Fundraising expenses	<u>515,720</u>	<u>-</u>	<u>515,720</u>
Total expenses	<u>\$ 846,744</u>	<u>\$ -0-</u>	<u>\$ 846,744</u>
Change in net assets	\$ 50,342	\$ (11,474)	\$ 38,868
Net assets at beginning of year	<u>82,244</u>	<u>17,882</u>	<u>100,126</u>
Net assets at end of year	<u>\$ 132,586</u>	<u>\$ 6,408</u>	<u>\$ 138,994</u>

See Notes to Financial Statements.

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENT OF ACTIVITIES
Eighteen Month Period Ended June 30, 2000

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Contributions	\$ 48,505	\$ -	\$ 48,505
Grant revenue	463,456	415	463,871
Fundraising events	827,039	-	827,039
Interest revenue	127	-	127
Miscellaneous revenue	1,448	-	1,448
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>1,263</u>	<u>(1,263)</u>	<u>-</u>
Total revenues, gains and other support	<u>\$ 1,341,838</u>	<u>\$ (848)</u>	<u>\$1,340,990</u>
EXPENSES AND LOSSES			
Program expenses	\$ 477,496	\$ -	\$ 477,496
General and administrative expenses	77,724	-	77,724
Fundraising expenses	<u>764,288</u>	<u>-</u>	<u>764,288</u>
Total expenses	<u>\$ 1,319,508</u>	<u>\$ -0-</u>	<u>\$1,319,508</u>
Change in net assets	\$ 22,330	\$ (848)	\$ 21,482
Net assets at beginning of year	<u>59,914</u>	<u>18,730</u>	<u>78,644</u>
Net assets at end of year	<u>\$ 82,244</u>	<u>\$ 17,882</u>	<u>\$ 100,126</u>

See Notes to Financial Statements.

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENTS OF CASH FLOWS
Twelve Month Period Ended June 30, 2001 and
Eighteen Month Period Ended June 30, 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 38,868	\$ 21,482
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	9,371	16,230
Loss on disposal of fixed assets	47	-
Increase in due from other agencies	(1,871)	(1,274)
Increase in accounts receivable	(2,131)	-
Decrease in security deposits	257	-
Decrease in accounts payable	(9,516)	(479)
Decrease in accrued liabilities	(3,508)	(22,523)
Increase (decrease) in income tax payable	990	(854)
Decrease in due to other agencies	(374)	(409)
Increase in deferred revenue	<u>1,492</u>	<u>2,017</u>
Net cash provided by operating activities	<u>\$ 33,625</u>	<u>\$ 14,190</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	<u>\$ (5,995)</u>	<u>\$ (1,695)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of note payable	\$ -	\$ 15,000
Principal payments on note payable	(7,525)	(3,125)
Principal payments on mortgage payable	<u>(6,509)</u>	<u>(3,849)</u>
Net cash provided by (used in) financing activities	<u>\$ (14,034)</u>	<u>\$ 8,026</u>
Net increase in cash	\$ 13,596	\$ 20,521
Cash at beginning of year	<u>39,203</u>	<u>18,682</u>
Cash at end of year	<u>\$ 52,799</u>	<u>\$ 39,203</u>
SUPPLEMENTAL DATA		
Interest paid	<u>\$ 5,806</u>	<u>\$ 9,308</u>

See Notes to Financial Statements.

SAFETY NET FOR ABUSED PERSONS, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization:

Safety Net For Abused Persons, Inc. (SNAP), is a non-profit organization that provides a wide range of services to victims of domestic violence. Its core service is providing shelter and support for victims and children. In addition, a 24 hour crisis line, individual assessment, and case management are provided. SNAP is also actively involved with community education including law enforcement training and support groups. SNAP coordinates domestic abuse intervention through the court system and provides mandated education for abusers.

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting.

The Organization is an exempt organization for Federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code. However, certain fundraising activities of the Organization are not specifically exempt from income tax as further discussed in Note 11.

Significant accounting policies:

Support and expenses:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities as net assets released from restrictions. The Organization relies heavily on grants (government and other) and general public donations to support its operations.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Allowance for doubtful accounts:

The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

NOTES TO FINANCIAL STATEMENTS

Property and equipment:

Purchased property and equipment are recorded at cost at the date of acquisition. Property and equipment purchased with grant funds are recorded as temporarily restricted contributions. In the absence of donor stipulations regarding how long the assets must be used, the Organization has adopted a policy of implying a time restriction that expires over the useful life of the assets. Depreciation is computed by the straight-line method based on the following estimated lives:

	<u>Years</u>
Buildings and improvements	27½
Furniture and equipment	5 - 7

Compensated absences:

Employees of SNAP earn annual leave in varying amounts depending upon length of service. Sick leave is earned at the rate of one day a month. Upon termination, no payment is made for unused sick leave, but accrued annual leave is paid up to a maximum of 24 months of accrual. At June 30, 2001 and 2000, accrued annual leave totaled \$6,688 and \$-0-, respectively.

Donated services:

SNAP receives donated services from unpaid volunteers who assist in program services during the year; however, these donated services are not reflected in the statement of activity because the criteria for recognition under SFAS No. 116 have not been satisfied.

Cash and cash equivalents:

For the purposes of the statement of cash flows, SNAP considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Advertising:

Advertising costs are expensed as incurred. Advertising expense was \$4,382 in 2001 and \$3,544 in 2000.

Note 2. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

Note 3. Due From Other Agencies

Due from other agencies consisted of the following at June 30, 2001 and 2000:

	<u>2001</u>	<u>2000</u>
Federal government -		
FEMA grant	\$ -	\$ 2,000
State of Louisiana -		
USDA grant	1,428	630
OWS grant	11,387	18,535
CVA grant	10,028	4,741
VAWA grant	2,466	1,727
Louisiana Bar Foundation	<u>4,195</u>	<u>-</u>
	<u>\$ 29,504</u>	<u>\$ 27,633</u>

Note 4. Natural Classification of Expenses

Expenses incurred were the following for the twelve month period ended June 30, 2001 and the eighteen month period ended June 30, 2000:

2001	Victim Support and <u>Shelter</u>	General and <u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 166,199	\$ 52,680	\$ 27,894	\$ 246,773
Payroll taxes	13,902	4,030	2,134	20,066
Advertising	1,382	-	3,000	4,382
Bank charges	-	-	433	433
Depreciation	9,371	-	-	9,371
Dues and subscriptions	-	840	-	840
Insurance	16,270	3,726	-	19,996
Legal and accounting	7,787	264	2,250	10,301
Licenses and fees	-	50	125	175
Office	1,903	212	-	2,115
Rent	600	5,323	30,600	36,523
Prizes	-	-	396,945	396,945
Supplies	13,144	1,461	43,772	58,377
Telephone	7,852	872	-	8,724
Travel and conferences	4,939	549	-	5,488
Security	-	-	2,550	2,550
Utilities	7,016	780	-	7,796
Repairs and maintenance	3,659	406	-	4,065
Interest	5,226	581	-	5,807
Other	-	-	3,064	3,064
Income tax/penalties	<u>-</u>	<u>-</u>	<u>2,953</u>	<u>2,953</u>
	<u>\$ 259,250</u>	<u>\$ 71,774</u>	<u>\$ 515,720</u>	<u>\$ 846,744</u>

NOTES TO FINANCIAL STATEMENTS

2000	Victim Support and Shelter	General and Administrative	Fundraising	Total
Salaries	\$ 292,328	\$ 52,125	\$ 38,658	\$ 383,111
Payroll taxes	30,407	3,988	2,949	37,344
Advertising	1,738	-	1,806	3,544
Bank charges	-	-	826	826
Depreciation	16,230	-	-	16,230
Dues and subscriptions	-	938	-	938
Insurance	45,540	6,985	-	52,525
Legal and accounting	7,000	1,507	1,463	9,970
Licenses and fees	-	-	275	275
Office	8,772	975	-	9,747
Rent	2,700	3,174	47,400	53,274
Prizes	-	-	597,975	597,975
Supplies	19,170	2,202	61,943	83,315
Telephone	16,940	1,882	-	18,822
Travel and conferences	8,027	892	-	8,919
Security	1,140	-	5,325	6,465
Utilities	10,803	1,200	-	12,003
Repairs and maintenance	8,324	925	-	9,249
Interest	8,377	931	-	9,308
Other	-	-	1,866	1,866
Income tax/penalties	-	-	3,802	3,802
	<u>\$ 477,496</u>	<u>\$ 77,724</u>	<u>\$ 764,288</u>	<u>\$1,319,508</u>

Note 5. Property and Equipment

Property and equipment consisted of the following at June 30, 2001 and 2000:

	<u>2001</u>	<u>2000</u>
Land	\$ 28,000	\$ 28,000
Buildings and improvements	151,191	151,191
Furniture and equipment	<u>41,586</u>	<u>45,491</u>
	\$ 220,777	\$ 224,682
Less accumulated depreciation	<u>(81,283)</u>	<u>(81,765)</u>
	<u>\$ 139,494</u>	<u>\$ 142,917</u>

NOTES TO FINANCIAL STATEMENTS

Note 6. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods as of June 30, 2001 and 2000:

	<u>2001</u>	<u>2000</u>
Building renovations provided by federal grant funds	\$ -	\$ 15,316
Depreciation of equipment purchased with federal grant funds	<u>6,408</u>	<u>2,566</u>
	<u>\$ 6,408</u>	<u>\$ 17,882</u>

Note 7. Net Assets Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the expiration of time for the twelve month period ended June 30, 2001 and eighteen month period ended June 30, 2000:

	<u>2001</u>	<u>2000</u>
Emergency Shelter Grants Program	\$ 15,474	\$ 62
Domestic Violence Program	801	1,201
Emergency Food and Shelter Program	65	-
Office of Women's Services Program	<u>139</u>	<u>-</u>
	<u>\$ 16,479</u>	<u>\$ 1,263</u>

NOTES TO FINANCIAL STATEMENTS

Note 8. Summary of Grants/Contracts Funding

SNAP was funded through the following grants and contracts for the twelve month period ended June 30, 2001:

<u>Funding Source</u>	<u>Award Number</u>	<u>Recognized Support</u>
Louisiana Commission on Law Enforcement:		
Domestic Violence Program	C99-4-005	\$ 17,181
Domestic Violence Program	C00-4-004	31,644
Domestic Violence Program	M98-8-009	1,677
Domestic Violence Program	M99-8-012	20,547
State of Louisiana:		
Office of Women's Services	CFMS #551154	143,592
Department of Education Child and Adult Care Food Program	CACFP99-09	942
Departments of Education Child and Adult Care Food Program	CACFP2000-09	7,358
Louisiana Bar Foundation:		
IOLTA Grant Program	2000-042	13,212
IOLTA Grant Program	2001-037	10,491
City of New Iberia:		
Emergency Shelter Grant Program	CFMS #547068	9,841
Emergency Shelter Grant Program	CFMS #559281	15,011
United States Department of Agriculture:		
Emergency Food and Shelter Program	CFDA 83.523	14,600
Lafayette Parish School Board:		
Summer Remediation and Enrichment Program	-	<u>2,400</u>
		<u>\$ 288,496</u>

Note 9. Mortgage Payable

At June 30, 2001, SNAP had a mortgage payable to a bank totaling \$68,251, bearing interest at the rate of 7.85%. The mortgage is payable in monthly installments of \$636, which includes interest, through June 26, 2002 with a final payment of the entire unpaid balance of principal and interest due on July 26, 2002. The mortgage is secured by the SNAP building. Maturities by year, including interest of \$5,705, are as follows:

2002	\$ 7,632
2003	<u>66,324</u>
	<u>\$ 73,956</u>

NOTES TO FINANCIAL STATEMENTS

Note 10. Note Payable

At June 30, 2001, SNAP had a loan payable to an individual totaling \$4,350, bearing no interest rate. The loan is payable in monthly payments of \$625 until fully paid. At June 30, 2001, the entire outstanding balance is current.

Note 11. Income Taxes on Unrelated Business Income

SNAP has incurred unrelated business income tax on certain fundraising activities not specifically excluded by federal statutes. Income taxes have been provided as follows at June 30, 2001 and 2000:

	<u>2001</u>	<u>2000</u>
Federal tax provision	<u>\$ 2,201</u>	<u>\$ 3,109</u>
Cash payments for income tax during the period	<u>\$ 1,211</u>	<u>\$ 4,656</u>

Note 12. Contingent Liabilities

SNAP receives grants for specific purposes that are subject to review and audit by the agency providing the funding. Such reviews and audit could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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To the Board of Directors
Safety Net For Abused Persons, Inc.
New Iberia, Louisiana

We have audited the financial statements of Safety Net For Abused Persons, Inc. as of and for the year then ended June 30, 2001, and have issued our report thereon dated October 4, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs as item 2001-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to

significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 2001-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is a material weakness.

This report is intended for the information of management and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Broussard, Poche, Lewis & Breau, L.L.P.

Lafayette, Louisiana
October 4, 2001

SAFETY NET FOR ABUSED PERSONS, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2001

We have audited the financial statements of Safety Net For Abused Persons, Inc. as of and for the year then ended June 30, 2001, and have issued our report thereon dated October 4, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2001 resulted in an unqualified opinion.

Section I - Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses X Yes No

Reportable Conditions X Yes No

Compliance

Compliance Material to Financial Statements X Yes No

Section II - Financial Statement Findings

2001-1 Claims for Reimbursement

Finding: Several problems were encountered when testing the claims for reimbursement for the various grants. The problems encountered are detailed below.

1. A salary amount of \$519 was included twice on the OWS December 2000 claim for reimbursement for an employee that was not included in the grant budget. This amount, in addition to the related fringes of \$48, results in questioned costs of \$1,086.
2. The amount requested for reimbursement under the OWS grant for fringe benefits for the year exceeded the actual amount incurred by the Organization by \$2,356. The amount claimed was \$4,226 while the actual incurred was \$1,870. This occurred as a result of state unemployment taxes being requested based on gross salaries when the tax is only paid on the first \$7,000 of salaries for each employee. In addition, the grant budget for these taxes is \$257. Based on this, the amount claimed by SNAP exceeded the amount allowed by the grant in the amount of \$3,969.
3. Requests for the CVA grant are being prepared incorrectly. This grant includes volunteer hours as an in-kind match. When the request is prepared however, it only includes the salaries of the SNAP employees. This results in SNAP receiving only 80% of these claimed salaries. The total expenses on the requests should include the SNAP employees in addition to the volunteer hours. This way, the computed 80% would enable SNAP to be reimbursed 100% of the paid salaries as was intended.

Recommendation: Procedures need to be established to ensure that claims for reimbursement are prepared accurately for all grants and that the amounts claimed agree to the expenses paid.

SAFETY NET FOR ABUSED PERSONS, INC.

SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended June 30, 2001

Section I. Internal Control and Compliance Material to the Financial Statements

2000-1 Requests for Reimbursement

Recommendation: Procedures should be established to ensure that claims for reimbursements and cost reports are prepared accurately for all grants. Proper documentation should be maintained to support claims. Requests and/or cost reports should be prepared by one person and checked by another to ensure accuracy prior to submission.

Current Status: Although procedures have been established, there were findings in the current year as noted at 2001-1.

2000-2 Bingo Quarterly Reports

Recommendation: Procedures need to be established to ensure that bingo statements are fully completed by the applicable employee. In addition, the quarterly bingo reports should agree to the licensee worksheets and they should be reconciled to the general ledger before submission.

Current Status: Bingo statements are fully completed by the applicable employees and procedures are in place to reconcile bingo reports to the worksheets and general ledger.

2000-3 IOLTA Grant Budget

Recommendation: Claims should be made in accordance with the grant agreement. A budget revision should be requested and approved before any additional/different expense items are claimed.

Current Status: Claims are now made in accordance with the grant agreement.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.



S.N.A.P.
Safety Net for Abused Persons

December 10, 2001

Dr. Daniel Kyle
Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Safety Net for Abused Persons, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2001.

Name and address of independent public accounting firm:
Broussard, Poche', Lewis & Breaux, L.L.P.
Certified Public Accountants
Post Office Box 61400
Lafayette, Louisiana 70596-1400

Audit period: July 1, 2000 through June 30, 2001

The findings from the 2000 schedule of findings are discussed below. The findings are numbered consistently with the number assigned in the schedule. Only sections that include findings are addressed.

Section II – Financial Statement Findings Attached

SAFETY NET FOR ABUSED PERSONS, INC.
FINANCIAL REPORT -- JUNE 30, 2001

RESPONSE TO SECTION II -- FINANCIAL STATEMENT FINDINGS

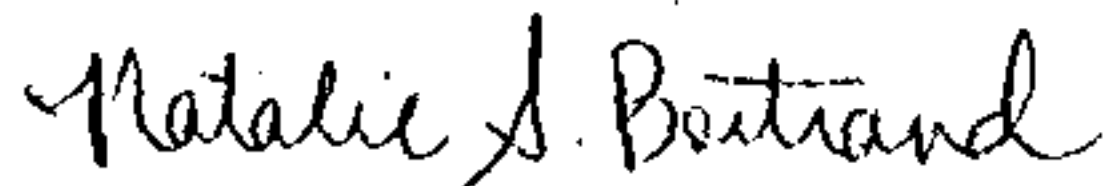
2001-1 Claims for Reimbursement

- Monthly general ledger reports for each grant will be used to request reimbursement of actual expenditures,. A copy of the general ledger report, which details support documentation, for the claim for reimbursement will be attached to each cost report for easy reference to expenditures. The reports will be prepared by the accounting representative and cross-checked by executive director. This process is currently operating for the 2001-2002 fiscal year to ensure accurate preparation of reports and that the amounts claimed agree to the expenses paid.
- Requests for reimbursement of grant expenditures will be prepared according to grant specifications at the end of the reporting period.

If the Legislative Auditor has questions regarding this plan, please call me at (337) 367-7627.

Sincerely yours,

SAFETY NET FOR ABUSED PERSONS, INC.



Natalie S. Bertrand
Executive Director